

Request for Economic Stimulus Funds

Concept Proposal

Submitters

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Project Title

From Equine-Industry Epicenter to World-Class Economic Region

Project Partners

The **UNIVERSITY OF KENTUCKY** is the only research-extensive, Land Grant institution in the Commonwealth. The General Assembly has mandated that the University of Kentucky become a *Top-20 public research university* by 2020. The College of Agriculture's Equine Initiative is a cross-disciplinary approach that is aimed at making UK the world leader in equine teaching, research and extension. Programs include the *Gluck Equine Research Center* whose mission is scientific discovery, education, and the dissemination of knowledge for the benefit of horse health and welfare, and the Livestock Disease Diagnostic Center, with the largest equine case load in the world.

The **UNIVERSITY OF LOUISVILLE**, which is one the oldest universities west of the Appalachians, has been mandated by Kentucky's General Assembly to become a premier metropolitan research university. The College of Business, one of 11 separate colleges and schools at UofL, is ranked in the top ten in entrepreneurship, and is fully accredited in both business and accounting by AACSB International. The COB's *Equine Industry Program* offers the world's only AACSB undergraduate degree - or as well a post-baccalaureate certificate - majoring in the equine business. The fundamental mission of the Equine Industry Program is to apply business school insights and research to the management of equine enterprises.

Project Background and Purpose

We believe there exists a unique opportunity to promote dramatic and sustainable economic growth in the Commonwealth of Kentucky by building on a regional cluster industry (equine) that is well established and already a world leader in certain facets, and by taking full advantage of two major research universities located

within the region and already collaborating on a wide variety of complementary activities in support of that industry.

This combination of leading firms, associations, facilities, and world-class universities has enabled the state's horse industry to position itself for significant increases in prominence and growth in the future. An added benefit is that a prime potential of this industry's growth is to maintain the economic viability and vitality of portions of the region's rural areas, often the most challenging sector to enhance economically.

We believe that a significant short-term investment may produce significant long-term beneficial results. While not constituting a triangle, this region, anchored by these great universities 75 miles apart, and by the leading cluster of breeding and sales at Lexington, and the leading publicly held racetrack corporation in Louisville, could be economically strengthened to a degree no less dramatic than North Carolina's "Research Triangle."

Project Description

This project extends and builds on a logical collaboration begun modestly but very successfully in 2006-2007 between UK's College of Agriculture and UofL's College of Business. The recognition of complementary emphases - UK on production facets of the horse industry and UofL on business management facets - led to a major jointly-sponsored international conference in 2008 with over 90 speakers/panelists and collaborative undergraduate programs that will begin in the fall of 2009. The synergies that have emerged from this collaboration has exceeded expectations, and instilled in those involved an optimistic vision about the potential of an expanded effort involving all facets of the industry.

An immediate step that would jump-start the entire project would be funds to enable construction of already planned and approved facilities for research that is both crucial to the industry and also likely to spur further growth and investment by new firms and employers. Each university has a project planned.

a)

The University of Kentucky has planned an *Animal Health Research and Development Center* at Coldstream Research Park that would become a "partnership" between the University, the equine health industry, and state regulatory agencies, thereby creating "business-cluster" synergies for discovery and commercialization of new technologies in animal health. This Center builds on the region's established strength as the "equine health capital of the world;" would attract post-DVM researchers; would facilitate R&D research partnerships with private industry, the University

medical center, the prestigious equine clinics in Lexington; and would offer immediate commercialization opportunities with testing and diagnostic technologies involving equine drug, disease and genetic applications.

The estimated capital costs of the Center as initially conceived range, scalably, from \$40 million to \$150 million with an initial operating cost estimate of \$1-3 million. Support for operations from university, city, state and commercial sources is apt to be forthcoming if the Center is adequately built. The Center has been featured in economic-development plans for Lexington.

b)

The University of Louisville has received Legislative approval for a dedicated equine business resource addition to the current College of Business building. This facility will enable the full operation of the *Equine Industry Applied Research Center*, which is dedicated to specialized business-management studies aimed at improving the efficiency and professionalism of firms and other enterprises in the equine industry. That academic research aimed solely at scholarly journals, while necessary for the refinement of academic subjects, is unsuited for an "niche" program whose goal is to serve a given *signature* industry. The focus of this research is utility for owners and managers. Only a few business researchers are dedicated to the horse industry. The new wing will enable them to be brought in as visiting scholars.

The estimated capital costs of the new addition to the College of Business as conceived by the architects range from \$3 million to \$5 million. Industry support will cover some of that.

Project Team

If there is a distinct possibility of funds available for all or some of this proposed initiative, the submitters will add names from key firms or organizations, perhaps even jurisdictions, in order to create a workable and appropriate team.

Project Budget

Initial projects and expenditures are focused, necessarily, on capital investment plans already "in the books." However, while no precise or detailed budgets have yet been prepared, the goals of this project are clear and well-established. We want to seek to stimulate economic growth and activity in the region by using the horse industry as a logical base, and by taking advantage of these universities committed complementarily to the industry. ##